

House File 572 - Introduced

HOUSE FILE 572
BY COMMITTEE ON ECONOMIC
GROWTH

(SUCCESSOR TO HSB 168)

A BILL FOR

1 An Act relating to employment services programs administered
2 by the department of workforce development by modifying the
3 membership requirements and duties of the Iowa workforce
4 development board and authorizing the department to carry
5 out unemployment insurance systems modernization, making
6 appropriations, and including effective date provisions.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

IOWA WORKFORCE DEVELOPMENT BOARD

Section 1. Section 84A.1A, subsection 1, Code 2017, is amended by striking the subsection and inserting in lieu thereof the following:

1. An Iowa workforce development board is created, consisting of thirty-three voting members and thirteen nonvoting members.

a. The voting members of the Iowa workforce development board shall include the following:

(1) The governor.

(2) One state senator appointed by the president of the senate after consultation with the majority leader of the senate, who shall serve a term as provided in section 69.16B.

(3) One state representative appointed by the speaker of the house of representatives after consultation with the majority leader of the house of representatives, who shall serve a term as provided in section 69.16B.

(4) The director of the department of workforce development or the director's designee.

(5) The director of the department of education or the director's designee.

(6) The director of the department for the blind or the director's designee.

(7) The administrator of the division of Iowa vocational rehabilitation services of the department of education or the administrator's designee.

(8) The following twenty-six members who shall be appointed by the governor for staggered terms of four years beginning and ending as provided in section 69.19, subject to confirmation by the senate:

(a) Seventeen members who shall be representatives of businesses in the state to whom each of the following applies:

(i) The members shall be owners of businesses, chief executives or operating officers of businesses, or other

1 business executives or employers with optimum policymaking or
2 hiring authority, and may, in addition, be members of a local
3 workforce development board described in section 84A.4.

4 (ii) The members shall represent businesses, including
5 small businesses, or organizations representing businesses
6 described in this subparagraph (a), that provide employment
7 opportunities that, at a minimum, include high quality,
8 work-relevant training and development in in-demand industry
9 sectors or occupations in the state.

10 (iii) The members shall be appointed from among individuals
11 nominated by state business organizations and business trade
12 associations.

13 (b) Seven members who shall be representatives of the
14 workforce in the state and who shall include all of the
15 following:

16 (i) Four representatives of labor organizations who have
17 been nominated by state labor federations.

18 (ii) One representative of a joint labor-management
19 apprenticeship program in the state who shall be a member of
20 a labor organization or a training director. If such a joint
21 program does not exist in the state, the member shall instead
22 be a representative of an apprenticeship program in the state.

23 (iii) Two representatives of community-based organizations
24 that have demonstrated experience and expertise in addressing
25 the employment, training, or education needs of individuals
26 with barriers to employment as defined in the federal Workforce
27 Innovation and Opportunity Act, Pub. L. No. 113-128, §3(24),
28 including but not limited to organizations that serve veterans,
29 that provide or support competitive, integrated employment for
30 individuals with disabilities; or that serve eligible youth,
31 as defined in the federal Workforce Innovation and Opportunity
32 Act, Pub. L. No. 113-128, §3(18), including representatives of
33 organizations that serve out-of-school youth, as defined in the
34 federal Workforce Innovation and Opportunity Act, Pub. L. No.
35 113-128, §129(a)(1)(B).

1 (c) One city chief elected official, as defined in the
2 federal Workforce Innovation and Opportunity Act, Pub. L. No.
3 113-128, §3(9).

4 (d) One county chief elected official, as defined in the
5 federal Workforce Innovation and Opportunity Act, Pub. L. No.
6 113-128, §3(9).

7 b. The nonvoting members of the Iowa workforce development
8 board shall include the following:

9 (1) One state senator appointed by the minority leader of
10 the senate, who shall serve for a term as provided in section
11 69.16B.

12 (2) One state representative appointed by the minority
13 leader of the house of representatives, who shall serve for a
14 term as provided in section 69.16B.

15 (3) One president, or the president's designee, of the
16 university of northern Iowa, the university of Iowa, or Iowa
17 state university of science and technology, designated by the
18 state board of regents on a rotating basis.

19 (4) One president, or the president's designee, of an
20 independent Iowa college, appointed by the Iowa association of
21 independent colleges and universities.

22 (5) One president or president's designee, of a community
23 college, appointed by the Iowa association of community college
24 presidents.

25 (6) One representative of the economic development
26 authority, appointed by the director.

27 (7) One representative of the department on aging,
28 appointed by the director.

29 (8) One representative of the department of corrections,
30 appointed by the director.

31 (9) One representative of the department of human services,
32 appointed by the director.

33 (10) One representative of the United States department of
34 labor, office of apprenticeship.

35 (11) One representative from the largest statewide public

1 employees' organization representing state employees.

2 (12) One representative of a statewide labor organization
3 representing employees in the construction industry.

4 (13) One representative of a statewide labor organization
5 representing employees in the manufacturing industry.

6 c. The terms of members of the board described in paragraph
7 "a", subparagraph (8), shall be staggered so that the terms of
8 no more than nine members expire in a calendar year.

9 d. The members of the board shall represent diverse
10 geographic areas of the state, including urban, rural, and
11 suburban areas.

12 e. An individual shall not serve as a member of the board in
13 more than one capacity described in paragraph "a".

14 Sec. 2. Section 84A.1A, subsections 3 and 4, Code 2017, are
15 amended to read as follows:

16 3. ~~The workforce development board shall meet in May of each~~
17 ~~year for the purpose of electing one of its voting members as~~
18 ~~chairperson and one of its voting members as vice chairperson.~~
19 ~~However, the chairperson and the vice chairperson shall not~~
20 ~~be from the same political party. The governor shall select~~
21 a chairperson for the workforce development board from among
22 the members who are representatives of business described in
23 subsection 1, paragraph "a", subparagraph (8), subparagraph
24 division (a). The workforce development board shall meet
25 at the call of the chairperson or when any five a majority
26 of voting members of the workforce development board file a
27 written request with the chairperson for a meeting. Written
28 notice of the time and place of each meeting shall be given to
29 each member of the workforce development board. A majority of
30 the voting members constitutes a quorum.

31 4. Members of the workforce development board, ~~the~~
32 ~~director of the department of workforce development,~~ and other
33 employees of the department of workforce development shall
34 be allowed their actual and necessary expenses incurred in
35 the performance of their duties. All expenses shall be paid

1 from appropriations for those purposes and the department of
2 workforce development is subject to the budget requirements of
3 chapter 8. Each member of the workforce development board may
4 also be eligible to receive compensation as provided in section
5 7E.6.

6 Sec. 3. Section 84A.1B, subsections 5, 6, and 9, Code 2017,
7 are amended by striking the subsections.

8 Sec. 4. Section 84A.1B, subsection 17, Code 2017, is amended
9 to read as follows:

10 17. Make recommendations to the general assembly and
11 governor regarding workforce development services, programs,
12 and activities, including but not limited to allocation of
13 resources.

14 Sec. 5. INITIAL BOARD APPOINTMENTS — TRANSITION
15 PROVISIONS.

16 1. The governor shall appoint initial members of the Iowa
17 workforce development board described in section 84A.1A,
18 subsection 1, paragraph "a", subparagraph (8), as enacted by
19 this division of this Act, to terms of less than four years as
20 necessary to ensure that the terms of no more than nine members
21 expire in a calendar year.

22 2. The governor may appoint members serving on the Iowa
23 workforce development board prior to the effective date of this
24 division of this Act pursuant to section 84A.1A, subsection
25 1, paragraph "a", Code 2017, for membership on the board on
26 and after the effective date of this division of this Act if
27 such individuals continue to be eligible for membership on the
28 board pursuant to section 84A.1A, subsection 1, paragraph "a",
29 subparagraph (8), as enacted by this division of this Act.

30 3. The members serving on the Iowa workforce development
31 board prior to the effective date of this division of this Act
32 pursuant to section 84A.1A, subsection 1, paragraph "a", Code
33 2017, shall continue to constitute the membership of the board
34 until a meeting of the board is held at which a majority of
35 the voting members of the board appointed pursuant to section

1 84A.1A, subsection 1, paragraph "a", subparagraph (8), as
2 enacted by this division of this Act, are present.

3 Sec. 6. EFFECTIVE UPON ENACTMENT. This division of this
4 Act, being deemed of immediate importance, takes effect upon
5 enactment.

6 DIVISION II

7 UNEMPLOYMENT INSURANCE SYSTEMS MODERNIZATION

8 Sec. 7. 2016 Iowa Acts, chapter 1118, section 22, is amended
9 to read as follows:

10 SEC. 22. AUTHORIZATION TO ~~JOIN CONSORTIUM~~ USE FEDERAL
11 FUNDS. The department of workforce development is hereby
12 authorized to ~~join a consortium with the states of Idaho and~~
13 ~~Vermont for the purpose of modifying the Idaho unemployment~~
14 ~~benefit payment software system so that it can be used to~~
15 ~~pay unemployment insurance benefits by the state of Iowa use~~
16 federal funds distributed to the department for the purpose of
17 unemployment insurance systems modernization.

18 Sec. 8. 2016 Iowa Acts, chapter 1118, section 23,
19 subsections 1 and 2, are amended to read as follows:

20 1. There is hereby appropriated out of funds made available
21 to the state of Iowa under section 903 of the Social Security
22 Act, as amended, the sum of one million seventy-six thousand
23 dollars, or so much thereof as may be necessary, to be used
24 under the direction of the department of workforce development,
25 for the purpose of ~~modifying the Idaho unemployment insurance~~
26 ~~benefit payment software system so that it can be used to~~
27 ~~pay unemployment insurance benefits by the state of Iowa~~
28 unemployment insurance systems modernization and for the
29 acquisition of programing, software, and equipment required
30 to provide an administrative ~~and payment~~ system for the Iowa
31 unemployment insurance program.

32 2. The funds hereby appropriated shall not be obligated
33 after the expiration of the two-year period beginning on ~~the~~
34 ~~date of the enactment of this section~~ July 1, 2017.

35 Sec. 9. 2016 Iowa Acts, chapter 1118, section 24, is amended

1 to read as follows:

2 SEC. 24. AUTHORIZATION OF USE OF FUNDS — UNEMPLOYMENT
3 ~~INSURANCE BENEFIT PAYMENT SOFTWARE SYSTEM — SYSTEMS~~
4 MODERNIZATION.

5 1. Four million eight hundred twenty-five thousand dollars,
6 or so much thereof as may be necessary, of incentive payment
7 funds credited with respect to the Assistance for Unemployed
8 Workers and Struggling Families Act, Pub. L. No. 111-5,
9 Division B, Tit. II, §2003, as codified in 42 U.S.C. §1103,
10 as a special transfer made under section 903(g) of the Social
11 Security Act, may be used under the direction of the department
12 of workforce development for the purpose of ~~modifying the Idaho~~
13 ~~unemployment insurance benefit payment system so that it can~~
14 ~~be used to pay unemployment insurance benefits by the state of~~
15 Iowa unemployment insurance systems modernization and for the
16 acquisition of programing, software, and equipment required
17 to provide an administrative ~~and payment~~ system for the Iowa
18 unemployment insurance program.

19 2. The funds hereby authorized for use shall not be
20 obligated after the expiration of the two-year period beginning
21 ~~on the date of the enactment of this section~~ July 1, 2017.

22 Sec. 10. EFFECTIVE UPON ENACTMENT. This division of this
23 Act, being deemed of immediate importance, takes effect upon
24 enactment.

25 EXPLANATION

26 The inclusion of this explanation does not constitute agreement with
27 the explanation's substance by the members of the general assembly.

28 This bill relates to employment services programs
29 administered by the department of workforce development by
30 modifying the membership requirements and duties of the Iowa
31 workforce development board and authorizing the department to
32 carry out unemployment insurance systems modernization.

33 DIVISION I — IOWA WORKFORCE DEVELOPMENT BOARD. This
34 division strikes Code language providing for the membership of
35 the Iowa workforce development board, including nine voting

1 members and 16 nonvoting members, and provides new membership
2 requirements. The division provides that the membership of the
3 board shall include 33 voting members and 13 nonvoting members.
4 Changes to the membership of the board are required by the
5 federal Workforce Innovation and Opportunity Act, Pub. L. No.
6 113-128.

7 The division provides that the voting members of the
8 board include the governor; a state senator appointed by the
9 president of the senate after consultation with the majority
10 leader of the senate; a state representative appointed by the
11 speaker of the house of representatives after consultation
12 with the majority leader of the house of representatives;
13 the directors of the departments of workforce development,
14 education, and for the blind or their designees; the
15 administrator of the division of Iowa vocational rehabilitation
16 services of the department of education or the administrator's
17 designee; 17 members who shall be representatives of businesses
18 in the state who must have certain specific qualifications;
19 seven members who shall be representatives of the workforce
20 in the state who must have certain specific qualifications;
21 and a chief city elected official and a chief county elected
22 official. The division specifies the 13 nonvoting members of
23 the board.

24 The division provides for terms of board members as
25 applicable. The division provides that the members of the
26 board shall represent diverse geographic areas of the state,
27 including urban, rural, and suburban areas. The division
28 prohibits individuals from serving as a member of the board in
29 more than one capacity as described in the division.

30 The division provides that the governor shall select a
31 chairperson for the board from among the members who are
32 representatives of business. The division provides that the
33 board shall meet if a majority of voting members file a written
34 request for a meeting.

35 The division requires the governor to appoint initial

1 members of the Iowa workforce development board described in
2 the division to terms of less than four years as necessary to
3 ensure that the terms of no more than nine members expire in a
4 calendar year.

5 The division permits the governor to appoint voting members
6 serving on the Iowa workforce development board prior to the
7 effective date of the division for membership on the board
8 on and after the effective date of the division if such
9 individuals continue to be eligible for membership on the
10 board.

11 The division provides that voting members serving on the
12 Iowa workforce development board prior to the effective date of
13 the division shall continue to constitute the membership of the
14 board until a meeting of the board is held at which a majority
15 of the voting members of the board appointed pursuant to the
16 division are present.

17 The bill strikes duties of the board relating to approval
18 of certain budgetary matters; establishment of guidelines,
19 procedures, and policies for the awarding of certain grants;
20 and certain rulemaking matters. The bill specifies that
21 certain recommendations by the board to the general assembly
22 and governor shall include recommendations regarding allocation
23 of resources.

24 The division takes effect upon enactment.

25 DIVISION II — UNEMPLOYMENT INSURANCE SYSTEMS MODERNIZATION.
26 This division modifies language in 2016 Iowa Acts, Senate File
27 2313, division II, which authorized the department of workforce
28 development to join a consortium with the states of Idaho and
29 Vermont for the purpose of modifying the Idaho unemployment
30 benefit payment software system so that it could be used to
31 pay unemployment insurance benefits by the state of Iowa and
32 appropriated funds for that purpose.

33 The division strikes language referring to a consortium
34 of states and instead authorizes the department to carry out
35 unemployment insurance systems modernization. The division

1 provides that funds previously appropriated for purposes of the
2 consortium of states are instead appropriated for unemployment
3 insurance systems modernization. The funds appropriated are
4 \$1,076,000, or so much thereof as may be necessary, out of
5 funds made available to the state of Iowa under section 903 of
6 the federal Social Security Act, as amended, and \$4,825,000, or
7 so much thereof as may be necessary, of incentive payment funds
8 credited with respect to the Assistance for Unemployed Workers
9 and Struggling Families Act, Pub. L. No. 111-5, Division B,
10 Tit. II, §2003, as a special transfer made under section 903(g)
11 of the federal Social Security Act. The funds appropriated
12 and authorized for use by the division shall not be obligated
13 after the expiration of the two-year period beginning on July
14 1, 2017.

15 The division takes effect upon enactment.